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May 4, 2005

Mr. Charles Terreni Chief Clerk of the Commission SC Public Service Commission P. O. Drawer 11649 Columbia, SC 29211 S. C. PUBLIC SERMCE COMMISSION

ECEIVE

MAY 0 5 2005

RE:

Annual Review of Base Rates for Fuel Costs for Carolina Power

& Light Company d/b/a Progress Energy Carolinas, Inc.

Docket No. 2005-1-E

Dear Mr. Terreni:

Enclosed please find for filing an original and one (1) copy of the South Carolina Energy Users Committee's First set of Interrogatories together with a Certificate of Service in the above-captioned matter.

I have enclosed an extra copy of these Interrogatories which I would ask you to date stamp and return to me in the self-addressed, stamped envelope provided for your convenience. By copy of this letter, I am serving all parties of record.

If you have any questions or if I may provide you with any additional information, please do not hesitate to contact me. Thank you.

Sincerely Yours,

ELLIOTT & ELLIOTT, P.A.

Scott Elliott

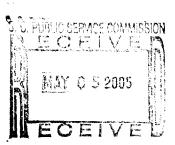
SE/jcl Enclosures

cc: All parties of record (w/enc.)

STATE OF SOUTH CAROLINA

BEFORE THE PUBLIC SERVICE COMMISSION

DOCKET NO. 2005-1-E



) SCEUC'S FIRST SET OF
) INTERROGATORIES AND
) REQUESTS TO PRODUCE TO
) CAROLINA POWER & LIGHT
) COMPANY d/b/a/ PROGRESS
) ENERGY CAROLINAS, INC.

TO: CAROLINA POWER & LIGHT COMPANY d/b/a PROGRESS ENERGY CAROLINAS, INC. AND ITS ATTORNEY, LEN S. ANTHONY, ESQUIRE In accordance with S.C. Code Ann. Regs. R.103-851, and R.103-854, Intervenor, the South Carolina Energy Users Committee ("SCEUC") requests the Applicant, Carolina Power & Light Company d/b/a Progress Energy Carolinas, Inc. ("Progress") to respond to the following interrogatories and requests to produce within ten (10) days from the date of service, under oath, through the individual officers, managing agents, employees, members or representatives who are most knowledgeable with respect to the subject to which each respective interrogatory is addressed.

INSTRUCTIONS

The Intervenor requests Progress to serve its responses upon the Intervenor's undersigned counsel not later than ten (10) days after the service hereof. The interrogatories and requests to produce are to be deemed to be of a continuing nature so as to require supplementation and amendment promptly, as necessary, in order to comport with facts and information that is known or available to you at the time of the initial responses of these interrogatories and requests to produce. With respect to the production of documents, the requested documents should be provided to the Intervenor

by delivery to the undersigned at 721 Olive Street, Columbia, South Carolina 29205, or at such other locations as is mutually agreeable to Progress and the Intervenor. The documents will be promptly returned after reproduction (if required).

If Progress claims a privilege as to any interrogatory or request for production, with respect thereto, set forth the following:

- 1. Who possess any requested document;
- 2. Who has reviewed any requested document;
- 3. The author, recipient and any copyholders of any requested documents;
- 4. The parties to any covered conversation, if it is a recording or transcript;
- 5. Who prepared the requested document;
- 6. The date of the requested document;
- 7. The type of document; and
- 8. The type of privilege asserted.

DEFINITIONS

A. As used herein, the term "Document" is used in the broadest sense and includes, but is not limited to, any written, printed, recorded, typed or graphic matter, however produced or reproduced, including all non-identical copies thereof and further including, but not limited to, any books, ledgers, pamphlets, periodicals, brochures, letters, memoranda, advertisements, proposals, telegrams, telexes, reports, telephone logs, drafts, business records, handwritten notes, bill, checks, invoices, charts, graphs, indices, tapes, transcripts, data sheets, records of telephone calls, data processing cards, and electronically-stored data such as documents stored on network drives, hard drive, cdrom optical disks, magnetic tape, 3.5 inch and 5.25 inch floppy disks, electronic mail

files, both current and deleted, and any other computer files of whatever type which are in Progress's possession, custody or control.

- B. As used herein, the words "and" and "or" shall be construed either disjunctively or conjunctively as necessary to bring within the scope of these interrogatories and this request any documents which might otherwise be construed to be outside its scope.
- C. Wherever applicable, the singular form of a word should be interpreted as plural.
- D. As used herein, the word "you" or "your" means or refers to Progress, its agents, consultants, or any member, officer or other representative of Progress.

As used herein, the word "identify" means provision of dates, times, places, parties to any oral communication. With respect to any other communication, it means the date, length and medium of communication or document. With respect to any person(s), it means name, title, address and telephone number.

The following interrogatories and requests to produce pertain to the testimony of C.S. Hinnant:

- 1. Please provide evidence or written support for the statement found on p. 4, l. 18-19 that Progress' vendor oversight program is considered to be among the best in the country.
- 2. In reference to p. 8, 1, 10-11, for the three years ending 12-31-04, please provide the ranking of all nuclear utilities in terms of capacity factors
- 3. Please provide all workpapers and support to substantiate the estimated nuclear capacity factor of 94.2% as cited on p. 10, 1. 7-8.

The following interrogatories and requests to produce pertain to the testimony of Ronnie M. Coats:

- 4. Please provide all names and contact information for all outside consultants as alluded to on p. 3, 1. 23.
- 5. In reference to Coat Exhibit No. 5, please answer the following:
 - Does the UPICoal Historic Spot Prices take into account small customer usage? If so, how does this index consider small usage purchases? Please provide details as to how this index is calculated.
 - Do small consumers normally purchase coal at prices equal to or lower than larger purchasers such as Progress?
- 6. Please project average delivered cost of coal at all Progress facilities for the period of July, 2006 through June, 2007.
- 7. Please project average delivered cost of natural gas at all Progress facilities for the period of July, 2006 through June, 2007.
- 8. Does Progress anticipate its fuel factor for July, 2006 through June, 2007 to be higher or lower than the current case's fuel factor request?
- 9. In reference to p. 19, 1. 17-18, is Progress stating that its average transportation cost for natural gas is \$3.72 per dt (e.g. \$9.40 less \$5.68 per dt)? Please provide all support for this cost to deliver natural gas.
- 10. In reference to p. 19, 1. 22-23, is Progress stating that its average cost for transportation service for the period of July, 2004 through June, 2005, a total cost of \$1.33 per dt (e.g. \$10.21 less \$8.89)? If so, please explain the difference in the cost of transportation service between the period of April, 2004 through March, 2005 and the period of July, 2004 through June, 2005?
- 11. Please explain in detail all hedging strategies that Progress uses in procuring natural gas, coal, and electricity supplemental purchases.

The following interrogatories and requests to produce pertain to the testimony of Dewey S. Roberts:

12. In reference to p. 9, 1. 14-15, please provide the 5-year average equivalent availability factor for Progress facilities.

The following interrogatories and requests to produce pertain to the testimony of Bruce Barkley:

- 13. Please provide a written explanation and all supporting workpapers to explain the high cost per kwh for all fuel costs for the month of May, 2004. Why is the fuel cost for this month so much higher than any other month?
- 14. Please provide the estimated fuel costs, in cents per kwh, that would result if Progress used a \$7.00 per dt estimate for the commodity cost of natural gas for the coming year.

- 15. Please provide the estimated fuel costs, in cents per kWh, that would result if Progress used a \$7.50 per dt estimate for the commodity cost of natural gas for the coming year.
- 16. Please provide the estimated fuel costs, in cents per kWh, that would result if Progress used a \$8.00 per dt estimate for the commodity cost of natural gas for the coming year.

Scott Elliott, Esquire Elliott & Elliott, P.A. 721 Olive Street Columbia, SC 29205 803-771-0555 803-771-8010

Attorney for South Carolina Energy Users Committee

May 4, 2005

CERTIFICATE OF SERVICE

The undersigned employee of Elliott & Elliott, P.A. does hereby certify that (s)he has served below listed parties with a copy of the pleading(s) indicated below by mailing a copy of same to them in the United States mail, by regular mail, with sufficient postage affixed thereto and return address clearly marked on the date indicated below:

RE:

Carolina Power & Light Company d/b/a Progress Energy

Carolinas, Inc. Annual Review of Base Rates for Fuel Costs

DOCKET NO.:

2005-1-E

PARTIES SERVED:

Florence P. Belser, Esquire

ORS

1441 Main Street, Ste. 300 Columbia, SC 29201

Len S. Anthony, Esquire Regulatory Affairs

Progress Energy Services Company

P. O. Box 1551/PEB 17A4 Raleigh, NC 27602-1551

Garrett A. Stone, Esquire

BRICKFIELD, BURCHETTE, RITTS & STONE, P.C.

1025 Thomas Jefferson Street, NW

Eighth Floor, West Tower Washington, DC 20007

PLEADING:

FIRST SET OF INTERROGATORIES AND REQUESTS

TO PRODUCE TO CAROLINA POWER & LIGHT COMPANY d/b/a PROGRESS ENERGY CAROLINAS,

INC.

May 4, 2005

Amber M. Bressler, Paralegal